VZCZCXRO9877 PP RUEHCN RUEHGH DE RUEHIN #0462/01 1050250 ZNY CCCCC ZZH P 150250Z APR 09 FM AIT TAIPEI TO RUEHC/SECSTATE WASHDC PRIORITY 1403 INFO RUEHBJ/AMEMBASSY BEIJING 9121 RUEHKO/AMEMBASSY TOKYO 0650 RUEHUL/AMEMBASSY SEOUL 0122 RUEHCN/AMCONSUL CHENGDU 3067 RUEHGZ/AMCONSUL GUANGZHOU 0212 RUEHHK/AMCONSUL HONG KONG 0556 RUEHGH/AMCONSUL SHANGHAI 2523 RUEHSH/AMCONSUL SHENYANG 7015 RHHJJAA/JICPAC HONOLULU HI RUEAIIA/CIA WASHDC RUEKJCS/SECDEF WASHINGTON DC RHEFDIA/DIA WASHINGTON DC RHHMUNA/USPACOM HONOLULU HI

### C O N F I D E N T I A L SECTION 01 OF 02 TAIPEI 000462

#### SIPDIS

E.O. 12958: DECL: 04/14/2019

TAGS: PGOV TW

SUBJECT: DPP LEGISLATOR TRONG CHAI ON PARTY POLITICS, DECEMBER LOCAL ELECTIONS, AND CROSS-STRAIT ISSUES

REF: TAIPEI 0438

Classified By: AIT Director Stephen M. Young, Reasons: 1.4 (b/d)

11. (C) Summary: Opposition DPP legislator Trong Chai (Tsai Tung-jung) told the Director on April 13 that he was "not too optimistic" about his party's chances in the December local elections. Chai assessed the DPP would have a hard time retaining the six city and county magistrate seats it currently holds (out of 23), blaming the KMT's practice of vote-buying as one reason for his party's electoral difficulties. Chai criticized President Ma Ying-jeou's cross-Strait policies and wondered how the United States would react if Beijing provides financial and political support to Ma's reelection campaign in 2012. End Summary.

# Local Elections Tough For DPP

- 12. (C) "Not too optimistic" is how Democratic Progressive Party (DPP) legislator Trong Chai characterized his party's chances in the December local elections. Chai told the Director on April 13 that the DPP should be able to hold on to Pingtung and Kaohsiung counties and Tainan City but might have a hard time retaining its three other seats (Yunlin, Chiayi, and Tainan counties). For example, he explained, it will be tough for the DPP's Su Chih-fen to win reelection as Yunlin County magistrate because likely KMT candidate Chang Li-shan's family heads the major local faction. Chang's "gangster" brother (Chang Jung-wei) would "encourage" people to vote for his younger sister, Chai suggested. In Chiayi County, incumbent Magistrate Chen Ming-wen, who is completing his second term, was detained for corruption last fall and subsequently released on bail, but the case could erupt again at any time, hurting the DPP's chances.
- ¶3. (C) The DPP also stands to lose Tainan County if the party continues to be divided over its nominee. On April 1, the party selected legislator Lee Chun-yee to run for Tainan County magistrate, but former Presidential Office Secretary General Mark Chen still insists on running and has set up a campaign office (reftel). While agreeing with the Director that it is a "good idea" in principle for the party to make room for younger talent (Note: Mark Chen is 73), Chai maintained that the party should have nominated Chen because his poll ratings were higher than Lee's. At the very least, the party should have informed Chen earlier that he was not

going to be nominated, rather than waiting until after polls were conducted.

- 14. (C) Chai believed former Premier Su Tseng-chang will run for Taipei County magistrate. The KMT is likely to offer incumbent Magistrate Chou Hsi-wei, whose ratings are consistently low, a cabinet position. The KMT may try to recruit either Taoyuan County Magistrate Eric Chu or Taichung Mayor Jason Hu for the Taipei County election, though Chai acknowledged that Chu is probably more interested in becoming premier.
- 15. (C) A major challenge for the DPP as it prepares for local elections is the persistence of vote buying by the KMT, Chai asserted. The cash-strapped DPP is in a weak position opposite the well-endowed KMT. Chai does not see an end to the deeply ingrained practice.

### KMT and China in Cahoots -----

- $\P6$ . (C) Chai insisted there is no need for a KMT-DPP dialogue so long as President Ma continues to "sell out" Taiwan to Dialogue would be possible only when Ma changes his tack. Chai also suggested that the proposed Economic Cooperation Framework Agreement with China should be put to a referendum. Chai claimed that Beijing is directing Ma Ying-jeou and the KMT.
- (C) Toward the end of the discussion, Chai asked to see the Director alone for a few minutes. He asked what the U.S.

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- would do if the PRC provided financial and political support to Ma Ying-jeou's 2012 reelection campaign. The Director began by saying China has tried to influence previous Taiwan presidential elections, with contrary results. He also suggested it would be difficult for such actions to be concealed, especially if they were on a large scale. The Director stressed that the U.S. supports Taiwan's democracy, and would likely take a dim view of any attempt by outside forces to tamper with it.
- (C) Curiously enough, Chai separately urged the USG to support the DPP financially, given its disadvantage compared to the better endowed KMT. The Director brushed the request aside, saying the USG doesn't involve itself in financing political parties anywhere in the world. The Director related his experience as Ambassador to Kyrgyzstan, where we supported NGO development, rule of law programs, judicial exchanges and freedom of the press. But never political parties. Chai took the point.

## Comment

 $\P9$ . (C) Although he had requested the meeting to raise former President Chen Shui-bian's daughter Chen Hsing-yu's student visa application, Chai appeared content to focus the discussion on Taiwan politics. Chai said his ties to Chen Shui-bian were not that warm, but he seemed pleased that Chen's letter to him was featured as the second entry in a 50-letter collection just published by the former president. Bio Notes: Trong Chai is an influential but quixotic politician who ran unsuccessfully for the DPP Chairmanship last year. He spent 30 years in the U.S. studying and teaching before returning to Taiwan in the early 90's once his name was removed from the KMT "blacklist." Chai founded the Formosan Association for Public Affairs (FAPA) while he was in the U.S. and counts a number of U.S. legislators and academics among his friends. YOUNG